

# For Sale

The Clarke Centre, Hennock Road North, Marsh Barton Trading Estate, Exeter, EX2 8NJ



Prominent Multi-let industrial Building with Forecourt Car Parking

# Investment Summary



- Freehold
- Multi-let.
- Asset management opportunity—re-gear of leases/ rent review opportunities.
- Vacant unit –Income potential
- Break-up/sell to existing tenants potential.
- Passing rent £85,260pax
- Quoting Price £975,000

2015 / 9 / 3

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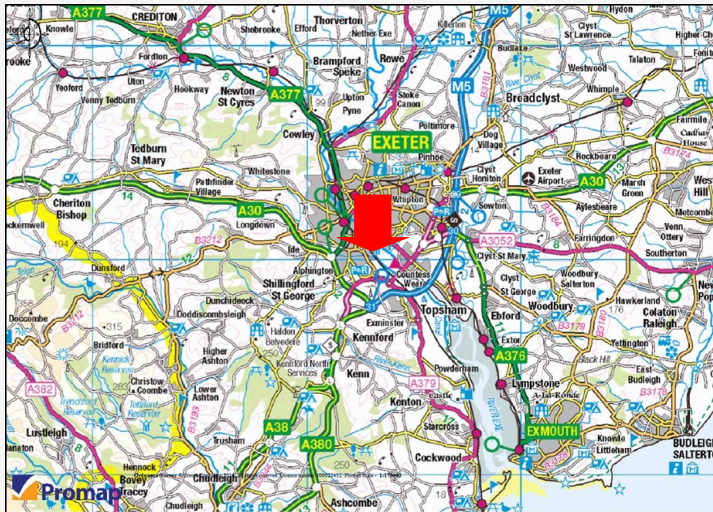
PROPERTY CONSULTANTS

# Location and Situation

## Location

The Property is located in Exeter. Exeter has a resident population of approximately 110,000 and is located approximately 30 miles (48 km) south-west of Taunton and 40 miles (64 km) north-east of Plymouth. The city forms the administrative centre for Devon and provides regional shopping facilities with an estimated catchment population of approximately 350,000.

Road communications to the city are very good, with three junctions to the M5 motorway, and direct access to the A30, A38 and A380 dual carriageways linking with Okehampton and North Cornwall, Plymouth and Torbay respectively. Mainline rail services are available from Exeter St David's with regular connections to both London Paddington and Waterloo, together with the remainder of the national rail network.



## Situation

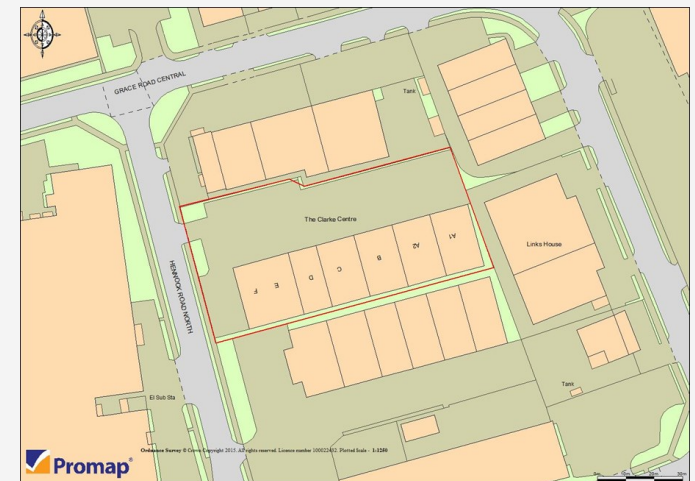
The Property is situated in a prominent location, perpendicular and to the east of Hennock Road North; one of the primary through roads on the well established Marsh Barton Trading Estate in Exeter. Marsh Barton Trading Estate is situated to the south of Exeter city centre, between the residential areas of St Thomas and Alphington.



## Description

The Property comprises a detached terrace of seven industrial units believed to date from the early 1980's, with forecourt and side yard to part. There are approximately 60 car parking spaces.

The terrace is of steel portal frame construction with concrete floors, elevations comprising cavity brick wall externally to approximately 2 metres and full-height blockwork internally. The upper external elevations and shallow-pitched roof are clad in corrugated asbestos sheet, with the roof incorporating approximately 10-15% translucent daylight panels, and a combination of suspended strip and emergency lighting. Some units incorporate suspended ceiling heaters. All the units provide a principal roller shutter door measuring approximately 3.5 metres wide by 4.5 metres high, and a min eaves height of 5.7 metres, rising to 6.5 metres at the apex.



\*Red Line plan is for indicative purposes only.

# Accommodation

## Tenure

Freehold

## Accommodation

The building has been measured in accordance with the RICS Code of Measuring Practice (Sixth Edition) and comprise the following gross internal floor areas:

Unit	Description	m <sup>2</sup>	ft <sup>2</sup>
A1	Ground floor warehouse and ancillary.	299.73	3,226
	Sub-total	299.73	3,226
A2	Ground floor warehouse and ancillary.	295.39	3,180
	Sub-total	295.39	3,180
B	Ground floor warehouse and ancillary.	297.00	3,197
	First floor office.	19.49	209.79
	Sub-total	316.49	3,407
C	Ground floor warehouse and ancillary.	295.39	3,180
	Mezzanine storage.	99.50	1,071
	Sub-total	394.89	4,251
D	Ground floor warehouse and ancillary.	220.83	2,377
	Mezzanine storage.	128.62	1,384
	Sub-total	349.45	3,761
E	Ground floor warehouse and ancillary.	220.46	2,373
	Sub-total	220.46	2,373
F	Ground floor warehouse and ancillary.	211.46	2,276
	First floor office.	14.37	154.68
	Sub-total	225.83	2,431
	<b>Total</b>	<b>2,102.24</b>	<b>22,629</b>

## Site Area

Land Use	Hectares	Acres
Warehouse storage and ancillary with yard.	0.469	1.158
	<b>0.469</b>	<b>1.158</b>

## Business Rates

Description	Rateable Value
Unit A1, Clarke Centre	£16,250
Unit A2, Clarke Centre	£15,750
Unit B, Clarke Centre	£18,000
Unit C, Clarke Centre	£20,250
Unit D, Clarke Centre	£16,250
Unit E, Clarke Centre	£13,000
Unit F, Clarke Centre	£13,000
<b>Total</b>	<b>£112,500</b>

## Service Charge

The service charge for 1st April 2014 to 31st March 2015 was £12,350, which is charged to tenants on a floor area (sq ft) basis and ranges from 61p - 63p. Further information is available from the agents.

# Accommodation

## EPC

Full certificates and recommendations can be provided on request.

Description	Rating
Unit A1, Clarke Centre	E 106
Unit A2, Clarke Centre	D 99
Unit B, Clarke Centre	C 67
Unit C, Clarke Centre	D 94
Unit D, Clarke Centre	C 73
Unit E, Clarke Centre	D 85
Unit F, Clarke Centre	f 150

## VAT

The property is elected for VAT, however we anticipate that the sale will be treated as a Transfer of a Going Concern (TOGC).



# Tenancy Schedule

Demise	Tenant	Lease Terms	Rent (per annum)
Unit A1	Vacant / Under Offer	Heads of Terms have been agreed at a rent of £5.25 psf (£16,847.25), subject to a photographic schedule of condition, on Network Rail's standard 'solutions business tenancies' for an initial period of 6 months, continuing thereafter from 6 months to 6 months. Further information on proposed tenant available from the agents.	£0
Unit A2	Platinum Batteries (Europe) Ltd	Periodic tenancy commencing 4/2/14. Use within Class B8. Stepped rent: Years 1-3 £13,575 per annum, Year 4 £15,171.50 per annum, Year 5 £15,970 per annum. Then annual RPI + 1% reviews with a 6 yearly open market review.  Landlord and tenant rolling break options on 6 months' notice. Full repairing, subject to Schedule of Condition. Tenant not to assign, sublet or part whole or any part.	£13,575
Unit B	Crown Paints Ltd	10 year full repairing and insuring (FRI) lease inside L&T Act 1954, commencing 29/9/11. Use within Class' B2 or B8. Upwards only rent review 29/9/16. Tenant break option 28/9/16. Landlord re-development break on 6 months' notice.	£17,300
Unit C	Powred Heating Components Ltd	Periodic tenancy commencing 29/9/14. Use within Class A1. Annual RPI reviews and 6 yearly market review. Tenant rolling break on 3 months' notice and landlord rolling break on 6 months' notice. Tenant to keep in no worse condition than displayed in Schedule of Condition (not seen). Not to assign, sublet or part whole or any part.	£15,185
Unit D	Edmundson Electrical Ltd	10 year lease inside L&T Act 1954, commencing 18/7/00 (now expired). Use within Class' B1 and B8. Open market, upwards-only rent review 25/06/2005. FRI, subject to a Schedule of Condition. Tenant may charge, sub-let or assign the whole with Landlord consent and subject to conditions.	£13,600
Unit E	PPG Architectural Coatings UK Ltd	10 year FRI lease commencing 15/9/13. Use within Class B1 or B8. Rent review 15/9/18 and tenant break 14/9/18. Landlord repairs break on 6 months' notice. Tenant may charge, sub-let or assign the whole with Landlord consent and subject to conditions. Rent in Year 6 (15 Sept '18 to 14 Sept '19) to be 50% of the rent revised at review with effect from 15 Sept '18.	£11,460
Unit F	Start Hydraulics Ltd	Periodic tenancy commencing 24/6/13. Full repairing, subject to Schedule of Condition. Annual RPI reviews and 6 yearly market reviews. Landlord and tenant rolling break on 6 months' notice. Not to assign, sublet or part whole or any part.	£14,140
<b>Total Rent</b>			<b>£85,260</b>

# Tenant Information

## Covenant

Tenant	Accounting Year	Credit Rating	Turnover	Net Worth	Retained Profit
Platinum Batteries (Europe) Ltd	30/04/2014	64 (Low Risk)	£36,007,067	£5,824,887	£748,134
Crown Paints Ltd	31/12/2013	76 (Very Low Risk)	£193,509,000	£24,283,000	£1,281,000
Powred Heating Components Ltd	30/06/2014	87 (Very Low Risk)	-	£1,091,361	-
Edmundson Electrical Ltd	31/12/2013	96 (Very Low Risk)	£1,093,411,000	£321,272,000	£13,679,000
Start Hydraulics Ltd	31/07/2014	47 (Moderate Risk)	-	-£3,984	-
PPG Architectural Coatings UK Ltd	31/12/2013	72 (Very Low Risk)	£200,650,000	£103,440,000	£6,512,000



# Contact and Viewing Arrangements



## Proposal

We are seeking offers in excess of £975,000 (nine hundred and seventy five thousand pounds) subject to contract. This sale will **not** class as a TOGC because Network Rail is a railway company rather than a property company. VAT will therefore be payable on the purchase price.

A purchase at this level would reflect a **net initial yield of 8.27%** assuming purchaser's costs at 5.8%. On completion of the letting of the vacant unit the rent will be £102,107.25 providing a yield of 9.9%.

## Legal Costs

Each party to bear their own legal costs involved in the sale.

## Viewing Arrangements

For further information or to arrange an inspection please contact the sole agents.

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## SUBJECT TO CONTRACT & EXCLUSIVE OF VAT

CSR/JAS/October 2015

Important: Alder King for themselves and for the vendors of this property, whose agents they are, give notice that: 1. The particulars contained herein are for guidance purposes only and do not constitute either part or whole of an offer or contract. 2. All descriptions, dimensions, references to condition and necessary permissions for use and occupation are given in good faith and are believed to be correct but any intending purchasers or tenants should not rely on them as statements or representations of fact, and must satisfy themselves as to their correctness. 3. No person in the employment of Alder King has any authority to make or give any representations or warranties whatsoever in relation to these properties. 4. No responsibility can be accepted for expenses incurred by intending purchasers in inspecting and considering the properties which are offered. Under the Control of Asbestos Regulations 2006 (CAR 2006), the owner or tenant of the property, and anyone else who has control over it and/or responsibility for maintaining or repairing it, may be under a statutory obligation to detect and manage any asbestos or asbestos related compounds contained within the property. Failure to comply with the CAR 2006 is an offence and could adversely affect the value of the property. The detection and management of asbestos and asbestos related compounds is beyond the scope of our expertise and does not form part of the services that we have agreed to provide in respect of the property. Accordingly: 1. Alder King do not accept any responsibility for, and you should not place any reliance on us in respect of, the detection and/or management of any asbestos and/or asbestos related compounds contained in the property. 2. We strongly recommend that you obtain advice from specialist environmental consultants in respect of asbestos related issues.

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